Please DO NOT submit Un-dated material. DO NOT submit Government Financial / Funding Information, including Contract Costs. Please DO NOT submit Duplicate Copies. Please DO submit records to the RCRA Records Center located at the North end of the 10th floor.

TRANSMITTAL DATE: 2/15/06 YOUR NAME: DON Webster
FACILITY NAME: Grenada Manufacturing LLGFACILITY ID#: MSD007037278
DOCUMENT DATE: V9VIOUS
DOCUMENT TITLE: Bankruptcy Documents
DOCUMENT DESCRIPTION (Use RCRA Document Description Table): RCPACOYTESPONDENCE
ACTION AREA: HSWAPEIN, + CONFIDENTIAL: YES NO NO
SPECIAL INSTRUCTIONS: File together

Arvin Meritor is having 8/2/05 Lact; E Textron over to Textren. Please give me your thoughts on this.
Apparently Arvin Collins & Aikmann Meritoris resigning
from the CA process
at Grenada. Joan David McCabe is Toped to meet a 40 Westminster St you regarding the Providence, RI
permit and the indoor 02903 air monitoring (401) 457-6007 DON CIVIL

July 11, 20005

Mr. Don Williams Plant Environmental Coordinator Grenada Stamping and Assembly 635 Highway 332 Grenada, Mississippi 38901

RE: Environmental Activities at the Grenada Manufacturing Plant Site

Dear Don:

This letter is in response to your email correspondence to Dale Showers at Brown and Caldwell ("BC") dated June 22, 2005 in which you asked about the work activities that ArvinMeritor has requested that BC complete at the Grenada plant site ("Site"). As you were informed by ArvinMeritor's counsel, Linda Furlough, in her correspondence of June 21, 2005, ArvinMeritor has relinquished to Textron, Inc. ("Textron") the lead role in conducting environmental investigations and remediation at the Site, pursuant to the terms of an agreement between ArvinMeritor's predecessor, Rockwell International Corporation, and Textron. To facilitate this transition, we've provided below a summary of the status of the environmental investigations and corrective measures at the Site that ArvinMeritor has been leading, and identified the required follow-up activities that must be undertaken by Textron or Grenada Manufacturing.

ONGOING ACTIVITIES

Free Product Recovery

As you know, ArvinMeritor has been recovering free product at the Site for a number of years. Initially, LNAPL and DNAPL were collected using automated systems, but more recently they have been collected manually. Currently, ArvinMeritor is contracted with Ferguson Harbor to visit the Site on a monthly basis and check wells RC-1, RC-2, RC-3, RC-4, and MW-2 for the presence of LNAPL and DNAPL. If either of these materials are present in any of the wells, they are removed manually using a bailer, placed in appropriate storage containers, and stored on-site prior to proper off-site disposal.

ArvinMeritor intends to discontinue handling this process. The last Site visit by Ferguson Harbor occurred on July 6, 2005. If you would like to contact Ferguson Harbor to continue these services, the contact is John Mark Franklin, who can be reached at (601) 932-3295.

INCOMPLETE ACTIVITIES

There are three documents that are very close to completion for distribution to the regulatory agencies. Two of these documents are reports that summarize completed activities, and the third document sets forth the sampling and analytical requirements for the Site. The status of each is provided below.

Quality Assurance Project Plan (QAPP)

As you may recall, the QAPP is structured to address sampling and analysis requirements for the RCRA monitoring related to the former EQ Basin, as well as the various investigation and monitoring requirements for the other corrective measures approved by U.S. EPA. As requested by U.S. EPA, the November 2000 QAPP for the Site has been updated recently to incorporate various review comments, and is ready for signature prior to distribution to the regulatory agencies. However, since ArvinMeritor is no longer taking the lead at the Site and BC is no longer the lead investigator on ArvinMeritor's behalf, additional modifications must be made to the QAPP to reflect the current situation. Accordingly, the revised QAPP will be sent to you (in both electronic and hard copy format) for completion of these revisions and distribution to the regulatory agencies and to Textron.

Annual Report for Calendar Year 2004 Site Monitoring

The Performance Monitoring Plan (PMP) included with the final design document for the permeable reactive barrier (PRB) specifies that an annual report must be prepared summarizing the Site monitoring data collected the previous year. In accordance with the PMP, four quarters of surface water samples were collected and analyzed in 2004. BC has completed a draft annual report for the calendar year 2004 (CY2004) monitoring data. Because this report must be signed and sealed by a professional geologist licensed in Mississippi, ArvinMeritor has requested that BC finalize the report and distribute it to you, the regulatory agencies, and to Textron.

Mr. Don Williams July 11, 2005 Page 3

Construction Report for the PRB

BC is in the process of completing this report, which documents the installation of the PRB. Because this document also must be signed and sealed by a professional engineer licensed in Mississippi, ArvinMeritor has requested that BC complete the report and distribute it to you, the regulatory agencies, and to Textron.

MONITORING ACTIVITIES

As stated above, the PMP outlines the required monitoring program for the various corrective measures completed to date and planned for the future at the Site. The Plan addresses groundwater monitoring, as well as monitoring of surface water and sediment in Riverdale Creek. While not addressed in the PMP, indoor air also will be required to be monitored. Thus far, ArvinMeritor has collected and analyzed the required samples. However, as of the date of this letter, we plan to discontinue these monitoring activities, unless stated otherwise below.

Surface Water Monitoring

Surface water monitoring in Riverdale Creek is required on a quarterly basis. To date, samples have been collected in February, May, August, and November with the baseline sampling being completed in November 2003. Sample locations, sampling methodology, analytical parameters, etc. are outlined in the PMP. ArvinMeritor has collected the February and May 2005 samples, but plans to discontinue any further sampling activities. Analytical data and field notes will be sent to you and to Textron.

Sediment Monitoring

Sediment sampling and analysis in Riverdale Creek is required biennially (i.e., once every two years) beginning after installation of the PRB. The PRB construction was completed in March 2005. A baseline sediment sampling event was performed in November 2003. The U.S. EPA requires that sediment samples be collected during the period May to October. Sample locations, sampling methodology, analytical parameters, etc. are outlined in the PMP and generally match those for surface water. You will need to arrange with Textron to conduct this further required sampling.

Mr. Don Williams July 11, 2005 Page 4

Groundwater Monitoring

Groundwater monitoring at the Site is required on a semiannual basis (i.e., once every six months). Each sampling event includes 17 monitoring wells that have been identified to specifically evaluate the performance of the PRB. In addition, once every two years all monitoring wells are to be sampled and analyzed to assess the effectiveness of all corrective measures. Monitoring well locations, analytical parameters, etc. are outlined in the PMP.

Monitoring of the PRB was scheduled to begin within a month after completion of the installation activities. The initial sampling of the 17 monitoring wells for the PRB was performed in late March 2005. The second sampling event required for 2005 was tentatively scheduled for October 2005. Prior to the PRB monitoring, groundwater was collected and analyzed on a site-wide basis as part of the baseline groundwater sampling performed in November 2003. Therefore, the second monitoring event for 2005 is scheduled to be a site-wide sampling event. Over the course of the next three monitoring events, ArvinMeritor plans to only collect samples from the 17 monitoring wells that are associated with assessing the effectiveness of the PRB, for purposes of assuring warranty performance. Accordingly, you will need to arrange with Textron to conduct the remainder of the required sampling.

Indoor Air Monitoring

As required by U.S. EPA, indoor air monitoring has been performed on two occasions. Although a formal letter has not yet been received from the USEPA, telephone conversations with Don Webster have indicated that ongoing biennial monitoring of indoor air will be required at the Site. The last indoor air monitoring event occurred in August 2004 and was summarized in a report dated December 2004. Therefore, you will need to arrange with Textron to conduct the next required monitoring event, in 2006.

Annual Report

As stated above, an annual report is required that summarizes all monitoring data collected at the Site the previous year. Because ArvinMeritor will not be completing the remaining required Site monitoring, we also will not be preparing the annual report for calendar year 2005. Therefore, you will need to arrange with Textron to prepare this report.

Mr. Don Williams July 11, 2005 Page 5

FUTURE ACTIVITIES

Corrective measures required to be undertaken at the Site, in addition to the recently installed PRB, include:

- Enhanced NAPL Recovery
- Sheet Pile Wall Installation
- Closure of the Sludge Lagoon (Stabilization and/or Capping)
- High Vacuum Multi-Phase Extraction
- Implementation of Property Use Restrictions

Details regarding each of these corrective measures, including discussions of the various components and the approved implementation schedule, are provided in the CMS Report.

If you have any questions regarding the list of activities or their status, please feel free to call me at (248) 435-7908.

Sincerely,

John F. Bozick

Remedial Project Manager

cc: Mr. Donald Webster, U.S. EPA, Region IV Mr. David McCabe, Textron

Jamieson Schiff, Esq., Textron

Linda S. Furlough, Esq., ArvinMeritor

Jeffrey M. Karp, Esq., Swidler Berlin

Mr. Dale R. Showers, Brown and Caldwell

Mr. Robert Ash, Brown and Caldwell

Linda S. Furlough Assistant General Counsel

Telephone: 248.435.1295
Facsimile: 248.435.2943
linda.furlough@arvinmeritor.com

July 28, 2005

VIA CERTIFIED MAIL -- RETURN RECEIPT REQUESTED

Mr. Lewis B. Campbell, President Textron, Inc. 40 Westminster Street Providence, RI 02903

Re: Former Randall Textron Facility; Grenada, Mississippi

Dear Mr. Campbell,

I am writing on behalf of ArvinMeritor OE, LLC ("ArvinMeritor") to notify you, in accordance with Section 7002(b) of the Resource Conservation and Recovery Act, as amended, ("RCRA"), 42 U.S.C. § 6972, that ArvinMeritor intends to commence a civil action against Textron, Inc. ("Textron") under Section 7002(a)(1)(A) of RCRA seeking enforcement of Textron's obligations under the July 31, 1998 permit issued to Textron by the United States Environmental Protection Agency pursuant to the Hazardous and Solid Waste Amendments ("HSWA") of 1984, P.L. 98-616 and regulations promulgated thereunder. More particularly, ArvinMeritor avers as follows:

- (1) On September 22, 2003, EPA unconditionally approved the August 2003 Corrective Measures Study Report submitted by or on behalf of Textron pursuant to the subject permit and authorized implementation of the measures proposed therein to address site-wide groundwater corrective action and other measures pursuant to the approved schedule;
- (2) The aforesaid schedule required the completion of additional pilot studies and additional site investigation on or before August 13, 2004; on information and belief those measures have not been implemented;
- (3) The aforesaid schedule required the preparation of corrective measures design documents and submission to EPA of drafts of same on or before October 8, 2004; on information and belief all necessary submissions have not been made;

Mr. Lewis B. Campbell July 28, 2005 Page 2

- (4) The aforesaid schedule required the commencement of construction of certain necessary corrective measures, including but not limited to, sludge lagoon closure, sheet pile wall installation, and multi-phase high vacuum extraction, on or before May 16, 2005; on information and belief said construction has not commenced;
- (5) Textron is required under the 1998 permit and EPA's RCRA regulations to provide to EPA financial assurance for the corrective measures to be undertaken pursuant to the permit; on information and belief Textron has failed to provide the required financial assurance.

In accordance with 40 C.F.R. § 254.3, please be advised that ArvinMeritor's outside legal counsel with respect to this matter is as follows:

Jeffrey M. Karp Jerome C. Muys, Jr. Swidler Berlin LLP 3000 K Street, N.W. Ste. 300 Washington D.C. 20007 Tel. (202) 424-7500

Please do not hesitate to contact me or ArvinMeritor's outside counsel if you have any questions regarding the foregoing.

Sincerely,

Linda S. Furlough

Assistant General Counsel

cc: Jamieson Schiff, Esq., Textron

Stephen L. Johnson, U.S. EPA Administrator

J. I. Palmer, Jr., U.S. EPA Region al Administrator, Region 4

`~Donald Webster, U.S. EPA, Region 4

Donald Williams, Grenada Manufacturing, LLC

Charles Chisolm, Mississippi Department of Environmental Quality

Jeffrey M. Karp, Esq., Swidler Berlin LLP

4WD-RPB

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Mr. Don Williams Plant Environmental Coordinator Grenada Manufacturing, LLC 635 Highway 332 Grenada, Mississippi 38901

SUBJ: Pending Chapter 11 Bankruptcy

Grenada Manufacturing Facility EPA ID No. MSD 007 037 278

Dear Mr. Williams;

Thank you for meeting with the Environmental Protection Agency (EPA) November 16, 2004 to explain the terms, conditions and financial arrangements for future corrective action at your facility after the bankruptcy of Grenada Manufacturing LLC. EPA has reviewed the proposal dated November 15, 2004, sent by the purchaser on your behalf and finds it to be acceptable in addressing arrangements for the continuance of the HSWA permit and the implementation of future land use restrictions at the site.

Furthermore, it is EPA's intent to issue a revised and updated HSWA permit to Grenada Manufacturing LLC for the agreed upon remedy as soon as possible. As a result of the issuance of the HSWA permit for the remedy at the entire site, Grenada Manufacturing LLC will be required to provide documentation that the financial assurance arrangements for continuation of post closure care at the HSWA units will remain intact. Grenada Manufacturing LLC should be prepared to provide the EPA with copies of its financial assurance agreements with Arvin Meritor and Collins & Aikman, along with any other arrangements for the continuation of corrective action at the site.

If you have any questions or concerns regarding this letter, please contact Mr. Don Webster, your EPA Project Manager, at (404) 562-8469.

Sincerely,

Jon D. Johnston, Chief RCRA Programs Branch

cc: Toby Cook, MDEQ
John Bozick, ArvinMeritor
Chip Moore, Collins and Aikman
David Nunn, Eastman & Smith LTD.
Howard Ice, Ice Industries Inc.

UPDATED PROPOSAL TO EPA AND MDEO BY

GRENADA ACQUISITION CORP., COUNTY

OF GRENADA, AND CITY OF GRENADA

NOVEMBER 15, 2004

- Core manufacturing assets of Grenada Manufacturing LLC will be acquired by Grenada Acquisition Corp. through the bankruptcy process.
- Grenada Acquisition Corp. will operate the plant using only the "carve-out" property identified in the attached map and following all applicable requirements for small quantity generators of hazardous waste. No active SWMUs or AOCs are in this area of the site. So long as it does not engage in any activities requiring a RCRA hazardous waste permit, Grenada Acquisition Corp. will not be required to obtain or assume such a permit to operate the "carve out" property. A legal survey of the "carve out" property has been completed. (See attachment).
- The "carve-out" property will continue to be owned by the City of Grenada, the County of Grenada, and Grenada Manufacturing LLC, respectively. Each of the owners will retain their contractual indemnification rights previously received from Textron Automotive, although Grenada Manufacturing LLC's contractual rights are subject to the outcome of its ongoing bankruptcy process.
- The City, County, and Grenada Manufacturing LLC will enter into lease agreements with Grenada Acquisition Corp. for their respective portions of the "carve-out" property.
- Bankruptcy counsel for Grenada Manufacturing LLC will make arrangements
 acceptable to all interested parties in the bankruptcy process, the EPA, and the
 MDEQ to keep Grenada Manufacturing LLC in existence post-bankruptcy as a
 legally viable corporate entity. Grenada Manufacturing LLC will retain its existing
 RCRA permit, as well as its ownership of those portions of the plant property that are
 both within and outside of the "carve-out" property.
- The lease between Grenada Manufacturing LLC and Grenada Acquisition Corp. will include, among other things, the following terms: 1) Grenada Acquisition Corp. will pay all future property taxes incurred during the lease term by Grenada Manufacturing LLC; 2) Grenada Acquisition Corp. will provide a project manager (Don Williams) who will act solely as the agent of Grenada Manufacturing LLC in coordinating all environmental permitting and corrective action activities at the site with the EPA, MDEQ, Arvin Meritor, and Collins & Aikman; and 3) Grenada Acquisition Corp. will provide reasonable support, if and when needed, to Grenada Manufacturing LLC in the event indemnification claims are ever required to be pursued (and can be pursued) by Grenada Manufacturing LLC in the future against Textron Automotive/Collins & Aikman.

- Arvin Meritor and Collins & Aikman will continue to perform their current environmental-related functions at the site. Pursuant to the above described lease terms, Grenada Acquisition Corp. will provide Grenada Manufacturing LLC with a project manager to work with the EPA, MDEQ, Arvin Meritor and Collins & Aikman in performing these tasks. Also pursuant to the above described lease terms, in the event of a failure to perform by Arvin Meritor and/or Collins & Aikman, Grenada Acquisition Corp. will provide reasonable support to Grenada Manufacturing LLC to assert any indemnification rights it may have to compel performance. The City and County likewise will assert their indemnification rights, as required.
- In the event that modifications to the state or federal RCRA permits would be appropriate in light of the new facility arrangements, Grenada Acquisition Corp. and bankruptcy counsel for Grenada Manufacturing LLC will work with the EPA, the MDEQ, Arvin Meritor, and Collins & Aikman to prepare any required permit modification requests on behalf of Grenada Manufacturing LLC.
- Grenada Acquisition Corp., bankruptcy counsel for Grenada Manufacturing LLC, the City of Grenada, and the County of Grenada will all work cooperatively in recording the attached deed restrictions for the "carve out" property (subject to modification by the EPA and MDEQ) which address groundwater extraction and use limitations; commercial/industrial use restrictions; surface and subsurface demolition, excavation, and drilling restrictions under the plant; and a grant of perpetual access to the property for the EPA, MDEQ, and parties authorized by the agencies to perform environmental-related activities. The deed restrictions will also be expressly enforceable by the EPA, MDEQ, and any local governmental entity with the authority to regulate land use at the site.
- Grenada Acquisition Corp. will either eliminate the use of the existing wastewater treatment plant at the site for operational purposes (this can be accomplished by making arrangements for the direct discharge of plant wastewaters to the City's sanitary sewer), or, alternately, will include a provision in the lease with Grenada Manufacturing LLC allowing it to operate the WWTP.

DRAFT

DECLARATION OF USE RESTRICTIONS

WHEREAS,	is the record owner ("Owner") of certain
real property situated in the City of Grenada, County o	of Grenada, State of Mississippi and legally
described on Exhibit A attached hereto and incorporated	d herein by reference and the improvements
thereto (the "Property");	

WHEREAS, Owner hereby desires to establish and impose certain covenants and restrictions on the Property for the purpose of supporting ongoing environmental activities being completed under the oversight and control of the United States Environmental Protection Agency ("U.S. EPA") and the Mississippi Department of Environmental Quality ("MDEQ"); and

WHEREAS, by imposing the covenants and restrictions to the Property described more fully below, Owner intends and desires to insure that the Property can continue to be used lawfully and safely in the future for commercial and/or industrial purposes;

NOW, THEREFORE, Owner, for itself and its successors and assigns in ownership of the Property, does hereby declare the Property subject to the following perpetual restrictions, covenants and stipulations, to-wit:

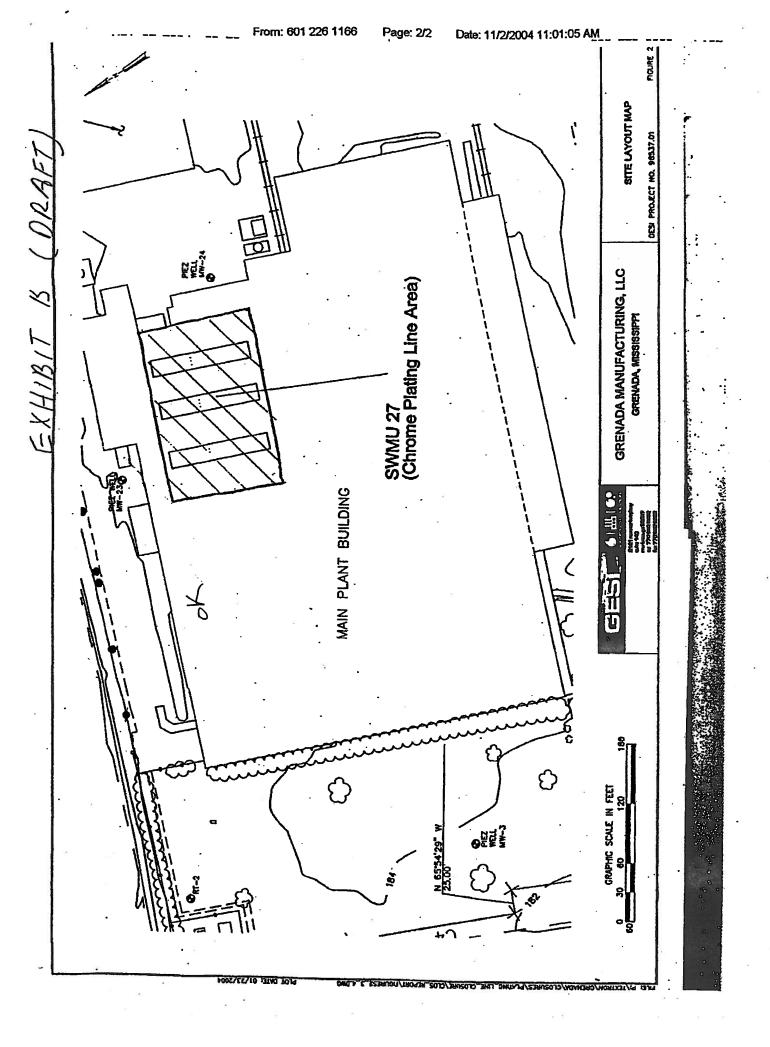
- 1. No person shall install any groundwater wells or extract the groundwater in the uppermost aquifer located at or underlying the Property for any purpose, potable or non-potable, except for groundwater sampling, groundwater investigation, or remedial activities, as warranted and approved by the U.S. EPA and/or MDEQ.
- 2. The Property is hereby restricted to commercial and/or industrial use only, as those terms are currently defined, or may be defined in the future, by zoning ordinance(s) of the City of Grenada or any other local governmental entity with jurisdiction and authority to regulate the land use at the Property.
- 3. There shall be no surface or subsurface demolition, excavation, drilling or other similar activities in the area of the Property identified on Exhibit Bethat could create exposure to subsurface contaminated media without the prior written approval of the U.S. EPA and MDEQ.
- 4. Owner hereby grants access to the Property at all reasonable times to the U.S. EPA, the MDEQ, and any private persons authorized and approved by the U.S. EPA and/or the MDEQ to undertake environmental activities on the Property relating in any way to the State of Mississippi Hazardous Waste Management Permit No. HW-007-037-278 or U.S. EPA RCRA Permit No. MSD 007 037 278. All parties granted access to the Property shall conduct their activities on the Property in a manner which minimizes to the fullest extent possible any disruptions to the use

lest out Trome chrome plating line t area and enjoyment of the Property by Owner, its successors or assigns, and/or any other persons having an ownership or property interest in the Property.

- 5. Compliance with the Declaration of Use Restrictions contained herein may be enforced by a legal or equitable action brought in a court of competent jurisdiction by or on behalf of one or more of the following parties: (i) the U.S. EPA or its representative, (ii) the MDEQ or its representative; or (iii) any local governmental entity with the jurisdiction and legal authority to regulate land use at the Property. Delay or failure on the part of any of the foregoing parties to take any action to enforce compliance with the Declaration of Use Restrictions shall not bar any subsequent enforcement with respect to the failure of compliance in question, nor shall any delay or failure on the part of any of the foregoing parties to take any action to enforce compliance with the Declaration of Use Restrictions be deemed a waiver of the right of any such party to take any such action with respect to any failure of compliance.
- 6. Owner hereby reserves unto itself, its successors and assigns, and/or any other persons having an ownership or property interest in the Property all rights and privileges in and to the use of the Property which are not incompatible with the restrictions, rights, and covenants granted herein.
- 7. This Declaration of Use Restrictions shall run with the land and be binding upon all current owners of the Property, and all successors and assigns of the Property, or any portion of the Property, including any leasehold interests on the Property or any portion of the Property unless and until the restrictions set forth herein are amended in writing by Owner, its successors or assigns, and approved in writing by the U.S. EPA and MDEQ.
- 8. This Declaration of Use Restriction shall be recorded in the same manner as a deed in the Office of the Recorder of Grenada County, Mississippi pursuant to [legal authority] and shall be deemed incorporated by reference in any instrument hereafter conveying any interest in the Property.
- 9. If any one or more provisions of the Declaration of Use Restrictions herein contained shall be found to be unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. This Declaration of Use Restrictions shall be governed by and interpreted in accordance with the laws of the State of Mississippi.
- 10. Any instrument hereafter conveying any interest in the Property or any portion thereof shall contain a recital acknowledging this Declaration and providing the recording location of this Declaration.

IN WITNESS WHEREOF,	has executed this Declaration of
Use Restrictions as of the day and year first writte	en above.
Signed and acknowledged	50.
in the presence of:	[Owner]
	Ву:
· · · · · · · · · · · · · · · · · · ·	Its:
	Date:
	Date:
STATE OF MISSISSIPPI)	
) ss: COUNTY OF GRENADA)	
	and for said County, personally appeared who acknowledged the signing of the ad that of for the uses and
purposes merem mentioned.	
Witness my hand and Notarial Sea	l this day of, 2004.
	ry Public Commission Expires:
This Instrument Was Prepared By:	
	· ·

H:\HOME\LLCravatt\DWN\MISC\grenada deed restriction.doc



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MAILING ADDRESS: P.O. BOX 10032 TOLEDO, OHIO 43699-0032

TOLEDO OFFICE: ONE SEAGATE, 24TH FLOOR TOLEDO, OHIO 43604 TELEPHONE: (419) 241-6000 FAX: (419) 247-1777

COLUMBUS OFFICE: 100 E. BROAD ST., SUITE 1400 COLUMBUS, OHIO 43215 TELEPHONE: (614) 248-5447 FAX: (614) 244-1505 MARCUS J. BRUBAKER MATTHEW D. HARPER* M. CHARLES COLLINS GRAHAM A. BLUHM TIMOTHY C. KUHLMAN MARK H. BOSS* KATHARINE T. TALBOTT* MICHAEL P. HENRY MIMI TARINIA SCOTT D. NEWSOM** CARRIE L. YOUNG GARY L. MILLER BRUCE D. LAZAR JEFFREY M. STOPAR** JEFFREY D. SNAVELY KIMBERLY S. BAKER FADI VICTOR NAHHAS® GENE R. ABERCROMBIE

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ALEXANDRA M. STUMP*
ANDREW J. WILHELMS

OF COUNSEL: HOWARD M. FRIEDMAN

ALSO ADMITTED IN:
*Mickigan *Florida **Indiana

WRITER'S DIRECT DIAL: (419) 247-1672 INTERNET MAIL: dwnunn@eastsmith.com

October 20, 2004

Joan Redleaf Durbin, Esq. Legal Department United States Environmental Protection Agency, Region IV 61 Forsyth Street, SW Atlanta, GA 30303

Mr. Donald Webster RCRA Programs Branch United States Environmental Protection Agency, Region IV 61 Forsyth Street, SW Atlanta, GA 3030

Re:

Grenada Manufacturing LLC - Pending Bankruptcy

Our File No: G1106/168126

Dear Ms. Redleaf Durbin and Mr. Webster:

As you requested in our most recent conference call, we are writing on behalf of our client, Grenada Manufacturing Acquisition Corporation, and with the support of the City and County of Grenada, Mississippi, to clarify our client's proposal for assuming operation of the Grenada, Mississippi plant which is currently owned by Grenada Manufacturing LLC. Our client currently manages the business of Grenada Manufacturing LLC and is attempting to acquire the assets of this now bankrupt company. Our client is working closely in its efforts with the City and County of Grenada, both of whom currently own portions of the plant property that are leased to Grenada Manufacturing LLC.

Grenada Manufacturing LLC filed for Chapter 11 bankruptcy protection on April 5, 2004. The bankruptcy process is rapidly coming to a close, and will likely be completed around the end of this month. If a buyer is not secured immediately to acquire the assets of Grenada Manufacturing LLC, the Chapter 11 filing will be converted to a Chapter 7 filing, all company assets will be liquidated, the plant will be permanently shut down, and the property owned by Grenada Manufacturing LLC will ultimately escheat to the State of Mississippi.

Our client is interested in avoiding this adverse outcome and keeping the Grenada facility operational. However, the ability to do this is subject to resolving the significant

Joan Redleaf Durbin, Esq. Mr. Donald Webster October 20, 2004 Page 2

environmental contamination issues and RCRA permitting issues (including corrective action and post closure care) that are currently being addressed by Grenada Manufacturing LLC, Arvin Meritor, and Collins & Aikman Corporation (formerly Textron Automotive). As you know, we have made extensive efforts to engage Arvin Meritor and Collins & Aikman in a dialogue regarding these critical environmental issues, but have made no headway in our pursuit of acceptable new agreements between the three companies. While it is possible that a mutually acceptable understanding could be reached at some point in time, for a variety of reasons, it is clearly not going to happen before the approaching end of the bankruptcy process.

Without the requisite environmental protections in place from Arvin Meritor and/or Collins & Aikman, our client is not in a position to proceed with the acquisition of the assets of Grenada Manufacturing LLC in a manner which would expose it to significant potential environmental liabilities or require it to accept any existing RCRA permit, corrective action, or post-closure care obligations. Therefore, without a creative solution to this environmental impediment, the Grenada Manufacturing facility will be shut down, likely before the end of the year.

The concept of pursuing a "carve-out" approach for operating the Grenada plant was developed to avoid the need for our client to accept a transfer of Grenada Manufacturing LLC's RCRA permit or liability for historic site conditions. As originally discussed, our client would lease the main plant building from the County of Grenada, smaller parcels from the City of Grenada, and additional limited properties currently owned by Grenada Manufacturing LLC (which would be acquired through the bankruptcy process). (See attached map of the "carve out" site). None of the proposed leased properties contain any solid waste management units or areas of concern that require active investigation or remediation, as confirmed by the EPA's most recent corrective action charts. Given this fact, as well as the fact that the plant would be operated in the future by our client as a small quantity hazardous waste generator only, it is our understanding that no RCRA permit would be required for future plant operations.

The potential problem, however, with the above described "carve-out" approach is that the current RCRA permittee, Grenada Manufacturing LLC, would be dissolved following the bankruptcy process and the EPA would be required to pursue alternative permitting or enforcement arrangements to complete all required corrective action and post-closure care. Moreover, the portions of the Grenada property that are not leased to our client (and are currently owned by Grenada Manufacturing LLC) would likely eventually escheat to the State of Mississippi. This would create difficulties for your agency, the Mississippi Department of Environmental Management, and the State of Mississippi.

To avoid these potential problems, we discussed during our last conference call a modified "carve-out" arrangement. The key aspects to this proposed arrangement are as follows:

Joan Redleaf Durbin, Esq. Mr. Donald Webster October 20, 2004 Page 3

- Core manufacturing assets of Grenada Manufacturing LLC would be acquired by our client through the bankruptcy process.
- Our client would operate the plant using only the "carve-out" property identified in the attached map. No active SWMUs or AOCs are in this area of the site.
- Those portions of the "carve-out" property that are not currently owned by either the City or County of Grenada would be acquired by a party to be determined shortly during the bankruptcy process.
- The City, County, and acquirer of the remaining portions of the "carve-out" property would enter into lease agreements with our client for their respective portions of the "carve-out" property.
- Bankruptcy counsel for Grenada Manufacturing LLC would make arrangements acceptable to all interested parties in the bankruptcy process, the EPA, and the MDEQ to keep Grenada Manufacturing LLC in existence post-bankruptcy as a legally viable corporate entity. Grenada Manufacturing LLC would retain its existing RCRA permit, as well as its ownership of those portions of the plant property that are not included in the "carve-out" site.
 - Arvin Meritor and Collins & Aikman would continue to perform their RCRA
 permit functions, corrective action, and post-closure care activities as they
 have done in the past. In the event our client's cooperation would be required
 to assist in meeting any permit requirements, our client would work with the
 EPA, the MDEQ, and the companies to come to a mutually agreeable
 accommodation.
 - In the event that modifications to the RCRA permit would be appropriate in light of the new facility arrangements, our client and bankruptcy counsel for Grenada Manufacturing LLC would work with the EPA, the MDEQ, Arvin Meritor, and Collins & Aikman to prepare any required permit modification requests.
 - In the event the EPA and/or MDEQ believe that deed restrictions would be required on any portions of the "carve-out" property to eliminate any health risks or permitting issues or obligations, our client would work with the agencies to draft such restrictions, and the applicable property title holder would record them.

Joan Redleaf Durbin, Esq. Mr. Donald Webster October 20, 2004 Page 4

- Our client would continue its efforts to eliminate the use of the existing
 wastewater treatment plant at the site for operational purposes (this would
 likely be accomplished by making arrangements for the direct discharge of
 plant wastewaters to the City's sanitary sewer). Alternately, our client would
 work with Arvin Meritor and/or Collins & Aikman to make arrangements for
 the continued operation of the WWTP, if necessary and appropriate.
- All of the lessors and lessees of the "carve-out" property would agree to provide access to the EPA, the MDEQ, Arvin Meritor and Collins & Aikman to fulfill their continuing RCRA functions and/or obligations.

As we discussed in our last conference call, we are willing to work with the EPA in flushing out the foregoing strategy for keeping the Grenada facility open. Ultimately, your agency, the MDEQ, and our client would need to memorialize any final arrangements in writing for the benefit and protection of all parties involved.

If this conceptual approach for keeping the Grenada facility open is acceptable to your agency and the MDEQ, we are available to conference again to determine how best to proceed. In the interim, our client is going to continue in its efforts to move forward with these plans. Thank you very much for the EPA's continuing assistance and responsiveness in this matter. On behalf of our client, we truly appreciate all of your efforts in finding a viable solution to this situation.

Very truly yours,

EASTMAN & SMITH LTD.

David W. Nunn

DWN/llc Enclosure

cc: Mr. Howard E. Ice (w/encl.)

Jay Gore, Esq. (w/encl.)

Melanie T. Vardaman, Esq. (w/encl.)

Mr. B.J. Anderson (w/encl.) Mr. Don Williams (w/encl.)

Jeffrey D. Snavely, Esq. (w/encl.)

Appendix A Action Status of SWMUs and AOCs GRENADA MANUFACTURING LLC, GRENADA, MISSISSIPPI

			*	
ACTION STATUS	No further Action at this time. The unit is regularly inspected by the MDEQ. Part of the RCRA operating permit.	No Further Action at this time. Closed as a RCRA regulated unit with waste in place in 1994 in a lined, capped and monitored landfill cell. Part of the RCRA post closure permit.	No Further Action at this time Waste excavated in 1996. Closed with some Waste still in place. Monitored Natural Attenuation Plan in effect for degradation of TCE.	No Further Action Until Taken out of Service, part of the Waste Water Treatment Plant. Any Residual contamination will be remediated by the Permeable Reactive Barrier.
AFFECTED MEDIA	None	Soil Groundwater	Soil Groundwater	Soil Groundwater
WASTES MANAGED	The unit manages used paint, paint waste toluene (D001, F005), spent solvents, chromic acid sludge (D002, D007) and waste mineral spirits in 55-gallon drums for less than 90 days. Trichloroethylene still bottoms (F001) were managed in the unit until approximately 1992. Recovered toluene and trichloroethylene are also managed at the unit.	The unit received roll forming department wastewater, boiler blowdown, boil-off, butler wash, buff wash, alkaline rinsewaters and cooling waters. Until the late 1970's, sanitary sewage from the facility was released to the unit. Until 1990, the unit received electroplating wastewaters containing hexavalent chromium (F006, D007).	The unit managed waste including buffing compounds, still bottoms from trichloroethylene recovery operations and paint sludges.	The clay lined unit receives sludge generated in the Wastewater Treatment Plant Clarifier (SWMU 13B).
YEARS OF OPERATION	Mid 1980s to Present	1961 to 1994	1961 to 1967	1977 to Present
TYPE OF UNIT	Container Storage Area	Surface Impoundment	Landfill	Surface Impoundment
SWMU/AOC	SWMU 1 Less-Than- 90-Day Drum Storage Area	SWMU 2 Equalization Lagoon	SWMU 3 On-Site Landfill	SWMU 4 Sludge Lagoon

No evidence of a release. No Further Action at this time. This area does not need to be tested for dioxins and furans. In EPA's judgement the types of waste burned at this location would not lead to the formation of the foregoing compounds.	No evidence of a release. No Further Action at this time.	No Further Action until taken out of Service, part of the Waste Water Treatment Plant. Any Residual contamination will be remediated by the Permeable Reactive Barrier.	No evidence of a release. No Further Action at this time. This area does not need to be tested for dioxins and furans. In EPA's judgement the types of waste burned at this location would not lead to the formation of the foregoing compounds.	No evidence of a release. No Further Action at this time.	No evidence of a release. The secondary containment around this unit must be inspected for rainwater collection and pumped every 3 months if there is more than 6 inches of water in the unit.	No Further Action at this time.	No Further Action at this time. Inspected and cleaned July 2, 2002. Permit will be modified to schedule inspection and maintenance every 5 years.
None	None	Soil Groundwater	None	None	None	A, SS, GW, SW, S	None
According to facility representatives only plant trash was burned in the units.	The unit stores spare equipment and parts that may be used in the future.	The unit receives the discharge from the Wastewater Treatment Plant (WWTP) and portions of the Drainage Ditches (SWMU 16). Prior to 1977, effluent from the Equalization Lagoon (SWMU 2) was also received by the Outfall Ditch.	According to facility representatives, packaging materials, paper, wood, sisal and cloth wheels, cafeteria waste and other miscellaneous refuse were burned in the unit.	The units collect waste hydraulic oils containing benzene, drawing compound, motor oils, compressor oil, metal shavings and lubricant from throughout the facility.	The unit manages waste oil which includes hydraulic oils, drawing compounds, metal shavings, and lubricants. The tank has secondary containment.	The units collect hydraulic oils, drawing compound, motor oils, compressor oil, and lubricant from throughout the facility.	The unit manages corrosive alkaline washwaters (D002) generated in the facility operations, non-contact cooling water, mop water, boiler blowdown and laboratory sink washwaters. From 1977 until 1993, the unit received a reduced
1961 to 1996	1961 to Present	1961 to Present	1961 to Approximate ly 1974	1961 to Present	1970s to Present	Approximate ly 1961 to Present	1977 to Present
Incinerators	Laydown Area	NPDES Outfall Ditch	Burn Area	Sumps	Above- Ground Storage Tank	Catch Pans	Inground Tank
SWMU 5 Former Solid Waste Incinerators	SWMU 6 Equipment Laydown Area	SWMU 7 Outfall Ditch	8 SWMU Former Burn Area	SWMU 9 Sumps A, B, & C	SWMU 10 Waste Oil Tank	SWMU 11 Waste Oil Catch Pans	SWMU 12 Wet Well

	No Further Action until taken out of service, part of the Waste Water Treatment Plant. Any Residual contamination will be remediated by the Permeable Reactive Barrier.	Clean Closed in 2002	No Further Action Until Taken out of Service, part of the Waste Water Treatment Plant. Any Residual contamination will be remediated by the Permeable Reactive Barrier.	No evidence of a release. No Further Action Until Taken out of Service, part of the Waste Water Treatment Plant. Any Residual contamination will be remediated by the Permeable Reactive Barrier.	No evidence of a release. No Further Action at this time.	No Further Action at this time.	No evidence of a release. No Further Action at
	Soil Groundwater	None	Soil Groundwater	Soil Groundwater	None	None	None
chromium waste stream (D007) as well.	The units manage and treat wastewater generated in the facility's manufacturing processes as well as the water supernatant from the Sludge Lagoon (SWMU 4). The wastewater includes corrosive alkaline rinsewaters, non-contact cooling water, mop water, boiler blowdown and laboratory sink washwaters. From 1977 until 1993, a reduced chromium waste stream was also received by the unit.	The unit managed hexavalent chromium electroplating wastewater.	The units transport wastewater that is primarily composed of alkaline rinsewaters, non-contact cooling water, mop water, boiler blowdown, stormwater and laboratory wastewaters. In the past the units managed hexavalent chromium wastewater.	The units collect site runoff and stormwater from throughout the facility.	The unit managed drums containing investigation derived waste (IDW), which included drilling mud, drill cuttings, purge/development water, decontamination water and trash. Some of the wastes managed were deemed F002 and F005 hazardous wastes.	The unit collects non-hazardous buffing sludge generated during the wheel cover polishing operations.	The unit manages nonhazardous buffing
	1977 to Present	1961 to 2002	1961 to Present	1961 to Present	Early 1992 to 1993	1961 to Present	1985 to
	Treatment Plant	Chromium Reduction Unit/Holding Sump	Sewer System	Ditches	Storage Area	Storage Basement	Rolloff
	SWMU 13 Wastewater Treatment Plant	SWMU 14 Chromium Destruct Pit	SWMU 15 Process Sewers	SWMU 16 Drainage Ditches	SWMU 17 Former IDW Drum Storage Area	SWMU 18 Buffing Sludge Basement	SWMU 19

this time.	No evidence of a release.No Further Action at this time.	No evidence of a release.No Further Action at this time.	No evidence of a release.No Further Action at this time.	No evidence of a release.No Further Action at this time.	No evidence of a release.No Further Action at this time.	No evidence of a release. No Further Action at this time.	No evidence of a release. No Further Action at this time.	Waste Left in Place. Hexavalent Chromium contamination above industrial preliminary remediation goals has been left in place because it is under the main plant building and comingled with the TCE and Toluene Plumes.
	None	None	None	None	None	None	None	Soil Groundwater
sludge collected in the Buffing Sludge Basement (SWMU 18) and dust collected by the Cyclone Dust Collector (SWMU 22).	The units collect plant trash including used sisal and cloth wheels, paper, cafeteria waste, absorbent materials used to clean spills and other miscellaneous refuse.	The units manage spent solvents generated during the cleaning operation of parts.	The unite manages the particulate emissions that are produced from he butler machines as they grind the metal product to create a finish.	The unit stores biohazardous wastes generated at the first aid station. Wastes include bloody materials, cotton swabs, cups for ingested medicine, and surgical gloves	The units are collection points for waste toluene generated in the painting operations, spent paint filters, and waste paint rags. Toluene and TCE recovered from the recovery wells installed in the vicinity of the Former Toluene Underground Storage Tank Area (AOC B) and the Former TCE Storage Area (AOC A), respectively, are also accumulated in SAA.	The units collect scrap metal including cold roll and galvanized metal that result from a variety of manufacturing processes.	The unit collects general plant trash including packaging materials, paper, wood, sisal and cloth wheels, cafeteria waste and other miscellaneous refuse.	The unit was used as a plating bath for wheel covers and other small parts.
Present	1961 to Present	January 1990 to Present	Approximate ly 1961 to Present	1960s to Present	Approximate ly 1976 to Present	1960s to Present	1996 to Present	1961 to 2002
Container	Hoppers and Drums	Parts Washer	Air-Emissions Control Device	Container	Satellite Accumulation Drums	Rolloff Containers	Compactor	Chromic Acid Plating Baths
Buffing Sludge Rolloff	SWMU 20 Plant Waste Containers	SWMU 21 Parts Washers	SWMU 22 Cyclone Dust Collector	SWMU 23 Biohazard Container	SWMU 24 Satellite Accumulatio n Areas	SWMU 25 Scrap Metal Rolloffs	SWMU 26 Trash Compactor	SWMU 27 Former Chrome Plating Lines

evidence of chromium waste moving from under wells and remediated by the Permeable Reactive ndoor air levels exceed OSHA PELs for any of Sarrier. Future remediation of this location will be included in the facility's financial assurance plan. Continued monitoring will be required in he main plant building. If this waste moves, it and will continue as long as feasible. Residual Permeable Reactive Barrier. There is a concern repeated every two years as long as TCE levels and will continue as long as feasible. Residual guidelines for industrial exposure to TCE[the will be detected by downgradient monitoring Source Control and Removal has taken place emediation is attempted as long as the main OSHA PELs]. Indoor Air Sampling must be Source Control and Removal has taken place with migration into Indoor air from the TCE plant building exists. At present there is no Plant Building. One Indoor Air Survey was Plume which is under a portion of the Main RfC was used, which is more stringent than Standards. Employees must be informed if conducted and levels were below current contamination will be remediated by the in Groundwater exceed EPA Regulatory contamination will be remediated by the There will be a threat to indoor air if he 11 constituents monitored. Permeable Reactive Barrier. he permit. Groundwater Groundwater Indoor Air Soil The area contains soil and groundwater The unit manages soil and groundwater contaminated with trichloroethylene. contaminated with toluene. Approximate The tank was taken out of Fanks were removed in Late 1960s y 1973 to the 1980's. to Present. service in Present. 1988. Contaminatio **Ground Tank** Storage Area Contaminatio Underground n Area from Storage Tank n Area from Above former

Frichloro

Former

AOC A

ethylene Storage

Area

containments have been cleaned and removed. No Further Action at this time. The tanks and Groundwater Soil used since 1994), one contained fuel oil #6 contained fuel oil #2 (not used since early northeast side of the building. One tank 1994), one contained sulfur dioxide (not contained sulfuric acid (not used since AOC C was a set of tanks along the (not used since early 1970's), two 1970's) and three propane tanks. 1960s to 1994 Containment Secondary

Containment

Area

Fuel Tank

Farm

AOC C

Storage

Tank Area

Toluene

Former

AOC B

Figure II.1 Facility Plant Layout

Reference 105

TO: 79014045628439089934 P.2
Base Program FA

TEXTRON

Textron Inc. 40 Westminster Street Providence, RI 02903-2596 DEPT OF ENVIRONMENTAL QUALITY
RFC'D
MAR 2 4 Zini



March 18, 2004

VIA OVERNIGHT COURIER

Executive Director
Mississippi Department of Environmental Quality
2380 Highway 80 West
Jackson, MS 39204

Re: Financial Responsibility Requirements for Closure and Post Closure Care of Treatment Storage and Disposal Facilities

Dear Sir or Madam:

Textron Inc., located in Providence, Rhode Island, is the owner and operator of a facility located in Grenada, Mississippi which is subject to regulations applicable to owners and operators of Hazardous Waste Treatment, Storage and Disposal Facilities.

In compliance with MHWMR Part 265, as respects closure and post-closure inflation adjusted cost estimates and updated financial information, respectively, Textron encloses the following:

- 1. A letter dated March 16, 2004 from the Chief Financial Officer of Textron Inc., as specified in the aforenoted;
- 2. A copy of the 2003 Annual Report of Textron Inc. containing a report by Ernst & Young on Textron's financial statements for the fiscal year ended January 3, 2004: and
- 3. A letter from Ernst & Young that verifies the financial information contained in the letter referred to in Paragraph 1 above.

Please do not hesitate to call me should you have any questions or concerns with respect to any of the above. My direct line is (401) 457-2224.

Sincerely,

Kusan M. Aridano

Environmental Health & Safety Analyst

SMA DEQLTRS Enclosures

cc: Dave McCabe (Textron Corporate)

Nick DiBenedetto (Ernst & Young (w/enclosures))

TEXTRON

Textron Inc. 40 Westminster Street Providence, RI 02903-2596

March 16, 2004

Executive Director
Mississippi Department of Environmental Quality
2380 Highway 80 West
Jackson, MS 39204

RE: Financial Assurance Requirements Demonstrating Financial Responsibility for Liability Coverage and Closure and Post-Closure Care

Dear Sir or Madam:

I am the Chief Financial Officer of Textron, Inc., 40 Westminster Street, Providence, Rhode Island 02903. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure and/or post-closure care as specified in Subpart H of MHWMR Parts 264 and 265.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and non-sudden accidental occurrences is being demonstrated through the financial test specified in Subpart H of MHWMR Parts 264 and 265.

Textron Automotive Company (formerly Randall Division of Textron Inc.) 635 Highway #332
Grenada, MS 38901
EPA #MSD007037278

The firm identified above guarantees, through the corporate guarantee specified in Subpart II of MHWMR Parts 264 and 265, liability coverage for both sudden and non-sudden accidental occurrences at the following facilities owned or operated by the following subsidiaries of the firm: None

1. The firm identified above owns or operates the following facilities which are in the State of Mississippi for which financial assurance for closure and/or post-closure care is demonstrated through the linancial test specified in Subpart H of MHWMR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility.

Randall Division of Textron Inc., Grenada Highway #332 East Route 2 Grenada, MS 38901 EPA #MSD007037278 Post Closure: \$701,040

2. The firm identified above guarantees, through the corporate guarantee specified in Subpart H of MHWMR Parts 264 and 265, the closure and post-closure care of the following facilities which are located in the State of Mississippi owned or operated by its subsidiaries. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility: None

Executive Director Page 2 March 16, 2004

- 3. In States where EPA is not administering the financial requirements of Subpart H of MHWMR 264 and 265, this firm is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of MHWMR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test or guarantee are shown for each facility: See Exhibit A.
- 4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure, or if a disposal facility, for post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of MHWMR Parts 264 and 265, or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: None.
- 5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Part 144. The current closure cost estimates as required by 40 CFR 144.62 are shown for each facility: None

The firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on the Saturday nearest to the thirty-first day of December in each year, whether such Saturday falls in December or in January. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended, January 3, 2004.

ALTERNATIVE II

1.	Sum of current closure and post-closure estimates (total of all cost estimates listed above)	\$	12,291,475
2.	Amounts of annual aggregate liability coverage to be demonstrated	\$	
3.	Sums of lines 1 and 2		8,000,000
4.	Current bond rating of most recent issuance and name of rating service	\$	20,291,475
5 .	Date of issuance of bond		۸3 - Moody's
6.	Date of maturity of bond	J	unc 26, 1992
*7.		J	uly 1, 2022
٠,,	Tangible net worth (if any portion of closure or post-closure cost estimates is included		
	in 'total liabilities' on your financial statements you may add that portion to this line)	\$ 2	,061,000,000
*8.	Lotal assets in the U.S. (required only if less than 90% of assets are located in the U.S.)		3,137,000,000
9.	Is Line 7 at least \$10 million?	Ye	
10.	Is Line 7 at least 6 times Line 3?	Yes	
*11.	Are at least 90% of assets located in the U.S.? If not, complete line 12.		
12.	Is Line 8 at least 6 times Line 3?	No	•
	- 2 200 o de fonde o cinica d'inca d'	Yes	3

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(g), as such regulations were constituted on the date shown immediately below.

Ву:

юy.

Name: Ted R. French

Title:

Executive Vice President and Chief Financial

16/04

Office

Date:

Executive Director Page 3 March 16, 2004

Exhibit A

	Location	EPA#	Closure Costs	Post Closure Costs
Textron Defense Systems	2221 Niagara Falls Boulevard Wheatfield, NY 14304	NYD002106276	\$ -0-	\$1,912,163
Homelite	Little Mountain Road Gastonia, NC 28052	NCD091249417	\$ -0-	\$5,033,029
Textron Acrospace Fasteners	East Warner Avenue Box 2157 Santa Ana, CA 92707-0157	CAD008493603	\$1,973,959	
Former Cessna Aircrast Facility, ARC Division	429 Rockaway Valley Rd. Boonton, NJ 07005	NJD002155448		\$ 2,671,284

from RFA

B. Facility Description

The Randall Textron facility is located on Route 332 East, approximately 0.75 miles north of Grenada, Mississippi. The site is separated from the town of Grenada by the Yalobusha River and adjacent swamps, and is actually bisected by Route 332. The main plant area is located southeast of the road. Three plant wells which supply groundwater for facility use are also located southeast of the road. The facility Wastewater Treatment Plant (SWMU 13), Sludge Lagoon (SWMU 4), inactive On-Site Landfill (SWMU 3) and a baseball field are located north of the road. The plant property includes 48.6 acres bordered by the Illinois Central Gulf Railroad to the north and east, a swampy area to the south, an abandoned road bed to the west, and Riverdale Creek to the northwest. Surrounding land use is mixed residential, agricultural and industrial. A fence was installed around the western portion of the property, including the On-Site Landfill, in 1990. A fence also encompasses the main plant area. A security guard is on duty at the main entrance on the weekends. Currently, the facility maintains 170 employees. A plant layout is provided in Figure II-1 and a site location map is provided in Figure II-2 (References 16, 26, 89, 94, 105, 194).

The plant was constructed in 1961 by Lyons, Incorporated, who operated the facility until 1966. North American Rockwell purchased the site in 1966. Textron Incorporated from Providence, Rhode Island purchased the facility on July 1, 1985, after which time the site was operated by the Randall Division of Textron Inc., or Randall Textron. The plant has been used throughout its history for the manufacture of wheel covers for the automotive industry. Other products manufactured at the facility include thermos cups, window channels and air bag brackets. Manufacturing activities include parts stamping, rolling, washing, buffing, polishing, electroplating, painting, assembly and finished goods storage (References 10, 26, 94, 105, 194).

C. Process Description

Randall Textron primarily manufactures automobile wheel covers, air bag brackets, channels for car windows, and thermos cups. From 1961 to 1992, the facility manufactured wheel covers exclusively. Randall Textron expanded their product line in 1992. At present, wheel covers account for only 30% of the overall facility product line. In 1995, the plant processed 6.3 million pounds of 301 stainless and cold-rolled steel.

The plant's manufacturing processes are segmented into the following six general departments:

- Stamping Department
- Buffing Department
- Butler Department
- Chrome-Plating Department
- Package Department
- Paint Department



David Nunn <dwnunn@eastsmith .com> 10/18/2004 10:06 AM

- To Donald Webster/R4/USEPA/US@EPA, dwilliams@grenadamfg.com
 John.Bozick@ArvinMeritor.com, chip.moore@colaik.com,
 Jeffrey Snavely < JDSnavely@eastsmith.com>, Doug
- cc McCurry/R4/USEPA/US@ÉPA, bjanderson@grenadamfg.com, jgore@hgglaw.com, howard.ice@iceindustries.com

bcc

Subject Re: Conference call concerning Grenada Mfg.

We have arranged a follow up conference call for 2:00 EDT, 1:00 CST today, 10/18/04, to discuss the Grenada plant status. The ATT call in # is (877) 826-8983, Participant Code # is 516021. If your respective agency, company, or client would like to have others participate in the call, please forward this email to them directly. Thanks.

>>> David Nunn 10/07/04 03:49PM >>>

To make it easier for everyone planning on participating in the call tomorrow at 1:00 CST, we have set up the call in # below. I look forward to speaking with you then.

Call is set up for 2:00 pm eDt, 1:00 cst tomorrow, Oct. 8, 8 plus parties, 2 plus hours.

Dial in is 888/476-3762; host code is 375692; participant code is 560502

>>> <Webster.Donald@epamail.epa.gov> 10/06/04 03:14PM >>>

All Interested Parties;

I was able to speak with Chip Moore from Collins & Aikman. He is not

interested in attending the conference call on Friday. It sounds like he wants Collins & Aikman out of the Grenada project. I explained to him the status of the corrective action process at Grenada and the length of time it was expected to continue. He was familiar with the PRB and fact that we had selected the final remedy. He acknowledge that he had received Arvin Meritor's billings for work done to date. However, I just want to make it clear that EPA has no part in this issue between parties.

It appears that Collins & Aikman wants to finalize its involvement in the corrective action project. I told Chip that it could be acceptable to EPA as long as financial assurance responsibilities for the overall project were satisfied. I doubt this would ever erase Collins & Aikman's responsibility as a PRP, just as Arvin Meritor's would not be erased. But, as long as the corrective action process at the site is being handled well, as it is now, no one would have to worry about the PRP business.

It appears that Chip may be thinking of getting in touch with Arvin Meritor to discuss Collins & Aikman's part in the project, but I can't speak for Chip. I want to reiterate here that EPA's bottom line interest is that the project continues to be funded until completion of corrective action, and that the proper Institutional Controls are in place. But, EPA is going to need better financial assurance as the project continues.

Doug McCurry and I talked to Toby Cook this morning. He mentioned that the State has a financial assurance instrument as part of the RCRA permit that goes back to Rockwell. Toby said the state would be willing to use it to help with part of the cost of overlapping RCRA and HSWA post closure monitoring. We discussed the range of options for future corrective action at the facility, from Superfund [the worst] to continuation of the permit [the best, in our opinion]. We will try to lay these options out for you on Friday. As you know, most of them depend on what can be put together at your end, and with Collins & Aikman and Arvin Meritor. Toby is available for the call on Friday if we need him.

Doug is contacting EPA's lawyer for this project. She may participate in the Friday meeting. How about 1PM central time for the call?

Sincerely, Don Webster

Don Williams <dwilliams@grena damfq.com>

То

Donald Webster/R4/USEPA/US@EPA

10/06/04 02:11

CC

PM

David Nunn

<dwnunn@eastsmith.com>, Jay Gore

Hi Don,

Have you had any luck with the Collins and Aikman contact? As I indicated yesterday, we would like to have a conference call sometime Friday between all the interested parties. David Nunn has another conference call Friday morning at 9:00 CST possibly lasting for 2 hours. Maybe we can schedule a call for late morning or early afternoon? Thanks.

Don Williams

Donald Webster/R4/USEPA/US 10/28/2004 05;22 PM

Joan Redleaf-Durbin/R4/USEPA/US@EPA, Doug
To McCurry/R4/USEPA/US@EPA,
Toby_Cook@deq.state.ms.us

CC

bcc

Subject Grenada Manufacturing Meeting

David Nunn dwnunn@eastsmith.com



Toby, Doug, Joan;

Based on Doug's notes from your meeting on Wednesday October 27, I have composed the following letter to send to Grenada Manufacturing regarding the letter sent by David Nunn, the legal representative of Ice Industries, the acquiring company. Doug indicated that our correspondence was to be with Grenada Manufacturing, the permittee. Does it follow, therefore, that the letter issued from the other parties should come from Grenada Manufacturing rather than Ice Industries' council?

Please read the attached letter to Grenada for content. Give me any changes or suggestions that you may have by noonTuesday November 2. I would like to send an email copy of EPA's response by COB Tuesday to the parties so that they may have it for the conference call scheduled for 2PM Wednesday in 10A.

Doug has gone over to his new job as Chief of the North RCRA Compliance and Enforcement Section, but, I hope he will give us the benefit of working with him on this issue awhile longer.

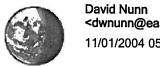
Thanks, Don



EPA Letter to Grenada re Chap 11.wpd



Grenada Ltr to EPA.pdf



David Nunn <dwnunn@eastsmith .com> 11/01/2004 05:30 PM

John.Bozick@ArvinMeritor.com, chip.moore@colaik.com, Jeffrey Snavely <JDSnavely@eastsmith.com>, Doug McCurry/R4/USEPA/US@EPA, Donald
To Webster/R4/USEPA/US@EPA, bjanderson@grenadamfg.com, dwilliams@grenadamfg.com, mvardaman@harrisgeno.com, jgore@hgglaw.com, howard.ice@iceindustries.com

CC

bcc

Subject Conference call concerning Grenada Mfg.

Everyone:

A conference call has been set for Wednesday, November 3, 2004 at 2:00 EDT to discuss the Grenada Mfg. facility. The call in # is (877) 475-9228. The participant code is 785064. Don Webster, please forward this e-mail to Joan and anyone else at EPA or MDEQ who will be participating. Thanks.

Donald Webster/R4/USEPA/US 11/04/2004 11:13 AM

- To Jon Johnston/R4/USEPA/US
- cc Joan Redleaf-Durbin/R4/USEPA/US@EPA, Doug McCurry/R4/USEPA/US@EPA

bcc

Subject Grenada Manufacturing Bankruptcy





Don Williams

From: Sent:

Redleaf-Durbin.Joan@epamail.epa.gov

To:

Friday, November 12, 2004 2:35 PM

Webster.Donald@epamail.epa.gov; Redleaf-Durbin.Joan@epamail.epa.gov

Cc:

Don Williams

Subject:

Re: Grenada Proposal Review and Site Visit

Hi. Here are a few concerns.

bullet 2 - Just because no active SWMUs or AOCs are present - does not mean you do not need a RCRA permit. The paragraph should also address that you are not going to operate the plant to require an operating permit - i.e. due to waste management practices.

bullet 7 - as we have discussed - arvin meritor and collins & aikman have no permit functions

as for the deed restrictions - i need to check with someone on the institutional controls language in the agreement - but the content - subject to don webster's concern is fine

thx joan

Joan Redleaf Durbin Associate Regional Counsel (404) 562-9544

> Donald Webster/R4/USEPA

> 11/08/2004 12:13

PM

Joan

Redleaf-Durbin/R4/USEPA/US@EPA

To

dwilliams@grenadamfg.com

Subject

Grenada Proposal Review and Site

Visit

Joan;

Sharon Matthews and I are headed to Grenada next Monday Nov. 15 to look at the installation of the PRB and discuss with the facility in Grenada, Mississippi.



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Guidance on EPA Concurrence in the Identification of Uncontaminated Parcels



Guidance on EPA Concurrence in the Identification of Uncontaminated Parcels under CERCLA Section 120 (h)(4)

March 27, 1997

MEMORANDUM

SUBJECT:

Military Base Closures: Revised Guidance on EPA Concurrence in the Identification of Uncontaminated Parcels under CERCLA Section 120 (h)(4)

FROM:

Timothy Fields, Jr (Original signed on March 27, 1997) Acting Assistant Administrator

TO:

Regional Superfund Policy Managers, Region I-X
Regional RCRA Policy Managers, Region I-X
Regional Counsels, Regions I-X
Federal Facilities Leadership Council
Base Realignment and Closure Program Managers, Region I-X

This memorandum is intended to provide guidance concerning the implementation of CERCLA section 120 (h)(4), as amended in 1996. Specifically, it addresses the approach EPA should use in determining whether to concur that a parcel has been properly identified by a military service as "uncontaminated" and therefore transferrable pursuant to CERCLA section 120 (h)(4).

1. Background

In October 1992, Congress enacted the Community Environmental Response Facilitation Act (CERFA) which, among other things, added a new subsection (4) to CERCLA section 120 (h). Congress found that the closure of Federal facilities is having adverse effects

on the economies of local communities and that environmental remediation requirements are frequently a constraint to the reuse of the facilities. The Act further states that Federal agencies should "expeditiously identify real property that offers the greatest opportunity for reuse and redevelopment..." CERCLA section 120 (h) (4) directed Federal agencies with jurisdiction over real property on which Federal government operations are to be terminated to identify parcels of the real property:

"on which no hazardous substances and no petroleum products or their derivatives were stored for one year or more, known to have been released, or disposed of."

In October 1996, Congress amended this language via the Defense Authorization Act of FY 1997, by deleting the "storage" provision. The language now reads:

"on which no hazardous substances and no petroleum products or their derivatives were known to have been released, or disposed of."

CERFA and this guidance refer to such parcels as "uncontaminated". The reference to "storage" was deleted to allow property where hazardous substances or petroleum products had been stored but no release or disposal had occurred, to meet the "uncontaminated" criteria in order to facilitate the transfer, reuse and redevelopment of real property. The identification must be based on an investigation of the property including minimum requirements set forth in CERCLA section 120 (h)(4)(A). For parcels of property that are part of a facility on the National Priorities List, the identification is not complete until the EPA concurs in the results. For other parcels, the identification is not complete until the appropriate State official concurs in the results.

The identification of a parcel is based on a review of available information. The military service remains obligated to address any contamination found to pose a threat to human health or the environment. Although parcels that are identified as satisfying the CERCLA section 120 (h) (4) requirements can be sold or otherwise transferred expeditiously, any such transfer must include a covenant committing the United States to perform any remedial action or corrective action found to be necessary after the date of the transfer.

For real property that is part of a military base which was slated for closure prior to CERFA's enactment, the identification and concurrence is to be completed within 18 months of CERFA's enactment. For real property on military bases designated for closing subsequent to CERFA, the identification and concurrence is to be completed within 18 months of the designation. [For property subject to Public Law 103-160, Base Closure Community Assistance Act, Section 2910 (November 30, 1993) concurrence may be mandated at an earlier point in time. This section provides that "the concurrence required under Section 120 (h)(4)(b) of such Act, shall be made not later than the earlier of -- (1) the date that is 9 months after the day of submittal, if any, to the transition coordinator for the installation concerned of a specific use proposed for all or a portion of the real property of the installation; or (2) the date specified in Section 120 (h) (4)(C)(iii) of such Act ".] The mandated period for BRAC 1995 installations to identify parcels expires March 28, 1997. For parcels

not identified prior to the statutory deadline the military service has a continuing opportunity to identify these parcels and seek regulatory concurrence. EPA believes that the identification of such parcels by the military service, with regulatory concurrence, will facilitate their reuse by providing the transferee with the CERCLA section 120 (h) (4) covenant. This position is consistent with DoD's May 18, 1996 policy statement on CERFA implementation.

2. Purpose

In meeting its obligation under CERCLA section 120 (h)(4), EPA is concerned with both protecting human health and the environment and achieving Congress' goal of expeditiously transferring uncontaminated real property to communities for economic redevelopment. Interpreting CERCLA section 120 (h)(4) to allow the expeditious transfer of parcels where there is no indication that the release or disposal of hazardous substances or petroleum products poses a threat to human health or the environment would aid Congress' intent by increasing the amount of real property which would be available for expedited reuse and redevelopment.

EPA believes that there may be instances in which it would be appropriate to concur with the military service that certain parcels can be identified as uncontaminated under CERCLA section 120 (h)(4) although some limited quantity of hazardous substances or petroleum products have been released or disposed of on the parcel. If the information available indicates that release or disposal was associated with activities which would not be expected to pose a threat to human health or the environment, such parcels should be eligible for expeditious reuse and redevelopment.

3. Guidance

The determination of whether to concur in the identification of an uncontaminated parcel, where the information provided by the military service reveals some level of release or disposal of hazardous substances or petroleum products, should be made on a case-by-case basis. The decision-maker should apply best professional judgement based on the available information in making determinations under CERCLA section 120 (h)(4). The objective should be to include parcels where there is no indication that the release or disposal of hazardous substances or petroleum products has resulted in an environmental condition that poses a threat to human health or the environment. The decision-maker should assume that the real property may be transferred to the public or private sector without any environmental response action being taken on the property.

EPA's ability to concur with the identification of parcels will depend on the information available concerning the current and historical uses of the parcel, the proximity of the parcel to sources of contamination requiring response actions, and the nature of the threat, if any, reasonably associated with the type of activity or contamination associated with the parcel.

Where the information presented by the military service does not provide a sufficient basis for concurrence, the EPA Region may elect to withhold concurrence until sufficient information is available. EPA's

response to the request for concurrence should specify the additional information required to support concurrence.

The following are examples of three categories of parcels where EPA would generally concur:

Housing

In housing areas, it is likely that hazardous substances and petroleum products contained in heating oil and household products have been released or disposed of; but it is unlikely that, in the absence of evidence of significant releases (e.g. fuel spills), such materials would pose a threat to human health or the environment.

Stained Pavement

There may be evidence of incidental releases of petroleum products on roadways and parking lots, but no indication that such releases pose a threat to human health or the environment.

Pesticides

In the absence of evidence indicating a threat to human health or the environment, e.g., contamination of surface or groundwater, or proximity to sensitive habitat, the routine application of pesticides in a manner consistent with the standards for licensed application should not disqualify a parcel under CERCLA section 120 (h)(4). If information concerning the use of the parcel indicates extensive application of pesticides, EPA may determine that the particular circumstances require that its concurrence be conditioned on further information concerning the nature and quantities of pesticides applied or the results of confirmatory sampling to assure that residual levels do not pose a threat to human health or the environment.

The examples and guidance described above are intended to provide assistance to the decision-maker, but not to strictly limit the application of the policy. The authority to make these determinations has been delegated to the Regions. For questions or further information concerning this revised guidance, please contact Lisa Tychsen at 202/260-9926.

NOTICE: The policies set out in this memorandum do not represent final agency action and are intended solely as guidance. They are not intended, nor can they be relied upon, to create any rights enforceable by any party in litigation with the United States. EPA officials may decide to follow the guidance provided in this memorandum, or to act at variance with the guidance, based on an analysis of specific site circumstances. Remedy selection decisions are made and justified on a case-specific basis. The Agency also reserves the right to change this guidance at any time without public notice.

CC:

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